IN THE UNITED STATES DISTRICT COURT FOR THE

EASTERN DISTRICT OF VIRGINIA

Alexandria Division

FILED
IN OPEN COURT
MAR - 8 2017
CLERK, U.S. DISTRICT COURT
ALEXANDRIA, VIRGINIA

UNITED STATES OF AMERICA,	)	No. 1:17-CR-46
v.	)	
DAVID L. WEBB,	)	Counts 1-2: 18 U.S.C. § 2314 (Inducing interstate travel to defraud)
Defendant.	)	Counts 3-7: 18 U.S.C. § 2314 (Interstate transmission of money taken by fraud)
	)	Forfeiture Notice

INDICTMENT

March 2017 Term – At Alexandria

INTRODUCTION

THE GRAND JURY CHARGES THAT:

At times material to this Indictment:

1. DAVID L, WEBB was the owner and operator of G4i Capital Partners, Inc., which was incorporated on or about June 5, 2009. DAVID L. WEBB operated the business in South Florida.

2. C.S. was the President and Chief Executive Officer of G4i Development Group, Inc., which was incorporated on or about February 8, 2011. C.S. operated the business in Northern Virginia in the Eastern District of Virginia.

3. On or about August 1, 2011, DAVID L. WEBB and C.S. signed an agreement. DAVID L. WEBB, on behalf of G4i Capital Partners, agreed to loan up to $8,333,000 to G4i Development Group. C.S., on behalf of G4i Development Group, in return agreed to pay 8.75

percent interest annually on any money loaned to G4i Development Group, with principal due two years from the date of each loan. The agreement stated that the interest should be paid monthly.

4. Between in or about April, 2011 and in or about December, 2012, DAVID L. WEBB, on behalf of G4i Capital Partners, raised money from others in the form of loans to G4i Capital Partners, a large portion of which he lent to C.S. and G4i Development Group. C.S., in turn, used a large portion of the money that he received from DAVID L. WEBB to operate G4i Development Group as a company that worked with other companies to try to obtain contracts from the United States Government and other government entities.

Scheme and Artifice to Defraud

It was a part of DAVID L. WEBB's scheme and artifice to defraud that:

5. Between in or about April 2011 and in or about December 2012, DAVID L. WEBB made false material representations, and caused another person, working on behalf of DAVID L. WEBB and G4i Capital Partners, to make false material representations, to others to induce them to provide money to DAVID L. WEBB and G4i Capital Partners, including:

a. DAVID L. WEBB represented that DAVID L. WEBB's company had several government contracts worth many millions of dollars, when in fact as DAVID L. WEBB knew, his company, G4i Capital Partners had no government contracts;

b. DAVID L. WEBB represented that the money that others were lending to him and G4i Capital Partners for the government contracting business was only to be used to finance smaller companies partnering with G4i, after contracts had been awarded, to help the companies operate until the companies began receiving government contract payments; when in fact, as DAVID L. WEBB knew, the money lent would be used for other purposes, including paying personal expenses of DAVID L. WEBB, paying interest to earlier lenders to G4i Capital Partners, paying the expenses of G4i Development Group as that company attempted to obtain government contracts, and paying back lenders to a prior business of DAVID L. WEBB's; and

c. DAVID L. WEBB represented that lenders were beneficiaries of a trust, and if G4i Capital Partners failed to make its payments to the lenders, a trustee would recover the money from G4i's government contracts, purportedly worth millions of dollars, that served as collateral and re-pay the lenders; when in fact, as DAVID L. WEBB knew, G4i Capital Partners had no government contracts to serve as collateral, and the trustee who DAVID L. WEBB retained did not intend to try to recover money on behalf of the lenders to G4i Capital Partners.

6. Between in or about April 2011 and in or about December 2012, DAVID L. WEBB received loans to G4i Capital Partners totaling more than $5 million from others, who based on DAVID L. WEBB's material misrepresentations, believed that they were lending money to an ongoing government contracting company that had contracts with government agencies worth many millions of dollars.

7. Between in or about August, 2011 and in or about December, 2012, DAVID L. WEBB caused G4i Capital Partners to loan more than $2.5 million to G4i Development Group, enabling C.S. to pay salaries and other expenses in his failed effort to try to obtain government contracts and payments pursuant to those contracts.

8. DAVID L. WEBB continued to solicit others to loan money to G4i Capital Partners after G4i Development Group had fallen far behind on the interest payments it owed G4i Capital Partners for the money that G4i Capital Partners had lent to G4i Development Group.

9. In 2014 and 2015, after G4i Development Group had ceased making payments to G4i Capital Partners, and DAVID L. WEBB on behalf of G4i Capital Partners had stopped loaning money to G4i Development Group and stopped paying interest and principal to those who had lent money to G4i Capital Partners for the government contracting business, DAVID L. WEBB attempted to lull and placate those who had lent money to DAVID L. WEBB and G4i Capital Partners by falsely telling them that they would be repaid in full.

10. The above introductory allegations are re-alleged and incorporated in each count of this Indictment as if fully set forth in each count.

Count 1
(Inducing interstate travel to defraud)

THE GRAND JURY FURTHER CHARGES THAT:

11. On or about July 19, 2012, in the Eastern District of Virginia and elsewhere, the defendant, DAVID L. WEBB, having devised and intended to devise a scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, which scheme and artifice is more fully described above in paragraphs 5-9 of this Indictment, knowingly caused M. L. to be transported, and induced him to travel, in interstate commerce between Texas and Virginia in the execution of the scheme and artifice to defraud M.L. of money and property having a value of $5,000 or more.

(In violation of Title 18, United States Code, Section 2314 and 2)

Count 2
(Inducing interstate travel to defraud)

THE GRAND JURY FURTHER CHARGES THAT:

12. On or about July 19, 2012, in the Eastern District of Virginia and elsewhere, the defendant, DAVID L. WEBB, having devised and intended to devise a scheme and artifice to defraud, and to obtain money and property by means of materially false and fraudulent pretenses, representations, and promises, which scheme and artifice is described above in paragraphs 5-9 of this Indictment, knowingly caused A.S. to be transported, and induced him to travel, in interstate commerce between Texas and Virginia in the execution of the scheme and artifice to defraud A.S. of money and property having a value of $5,000 or more.

(In violation of Title 18, United States Code, Sections 2314 and 2)

Count 3
(Interstate transmission of money taken by fraud)

THE GRAND JURY FURTHER CHARGES THAT:

13. On or about August 2, 2012, in the Eastern District of Virginia and elsewhere, the defendant, DAVID L. WEBB, knowingly caused to be transported, transmitted, and transferred in interstate commerce a sum of money greater than $5,000, from an account in the name of G4i Capital Partners at J.P. Morgan Chase Bank to an account in the name of G4i Development Group at United Bank, knowing that the money had been taken by fraud.

(In violation of Title 18, United States Code, Sections 2314 and 2)

Count 4
(Interstate transmission of money taken by fraud)

THE GRAND JURY FURTHER CHARGES THAT:

14. On or about August 15, 2012, in the Eastern District of Virginia and elsewhere, the defendant, DAVID L. WEBB, knowingly caused to be transported, transmitted, and transferred in interstate commerce a sum of money greater than $5,000, from an account in the name of G4i Capital Partners at J.P. Morgan Chase Bank to an account in the name of G4i Development Group at Virginia Commerce Bank, knowing that the money had been taken by fraud.

(In violation of Title 18, United States Code, Sections 2314 and 2)

Count 5
(Interstate transmission of money taken by fraud)

THE GRAND JURY FURTHER CHARGES THAT:

15. On or about September 4, 2012, in the Eastern District of Virginia and elsewhere, the defendant, DAVID L. WEBB, knowingly caused to be transported, transmitted, and transferred in interstate commerce a sum of money greater than $5,000, from an account in the name of G4i Capital Partners at J.P. Morgan Chase Bank to an account in the name of G4i Development Group at Virginia Commerce Bank, knowing that the money had been taken by fraud.

(In violation of Title 18, United States Code, Sections 2314 and 2)

Count 6
(Interstate transmission of money taken by fraud)

THE GRAND JURY FURTHER CHARGES THAT:

16. On or about October 1, 2012, in the Eastern District of Virginia and elsewhere, the defendant, DAVID L. WEBB, knowingly caused to be transported, transmitted, and transferred in interstate commerce a sum of money greater than $5,000, from an account in the name of G4i Capital Partners at J.P. Morgan Chase Bank to an account in the name of G4i Development Group at Virginia Commerce Bank, knowing that the money had been taken by fraud.

(In violation of Title 18, United States Code, Sections 2314 and 2)

Count 7
(Interstate transmission of money taken by fraud)

THE GRAND JURY FURTHER CHARGES THAT:

17. On or about November 5, 2012, in the Eastern District of Virginia and elsewhere, the defendant, DAVID L. WEBB, knowingly caused to be transported, transmitted, and transferred in interstate commerce a sum of money greater than $5,000, from an account in the name of G4i Capital Partners at J.P. Morgan Chase Bank to an account in the name of G4i Development Group at Virginia Commerce Bank, knowing that the money had been taken by fraud.

(In violation of Title 18, United States Code, Sections 2314 and 2)

FORFEITURE NOTICE

There is probable cause that the property described in this forfeiture notice is subject to forfeiture pursuant to the statutes described herein.

18. Pursuant to Federal Rule of Criminal Procedure 32.2(a), the defendant is hereby notified that, if convicted of the violations of 18 U.S.C. § 2314 alleged in this Indictment, he shall forfeit to the United States, pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), any property, real or personal, which constitutes or is derived from proceeds traceable to the violations of 18 U.S.C. § 2314, including, but not limited to, a sum of money equal to at least $5,190,452 in United States currency, representing the amount of proceeds obtained as a result of the charged violations.

19. Pursuant to Title 21, United States Code, Section 853(p), as incorporated by 28 U.S.C. § 2461(c), the defendant shall forfeit substitute property, up to the value of $5,190,452 if, by any act or omission of the defendant, the property directly derived from the charged violations cannot be located upon the exercise of due diligence; has been transferred, sold to, or deposited with a third party; has been placed beyond the jurisdiction of the Court; has been substantially diminished in value; or has been commingled with other property which cannot be divided without difficulty.

(All in accordance with Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c)).

A TRUE BILL:

Earvin Martin

FOREPERSON

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(All in accordance with Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c)).

A TRUE BILL

Pursuant to the E-Government Act, the original of this page has been filed under seal in the Clerk's Office.

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FOREPERSON

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